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## Japan

## Market Development Reports

## FOODEX JAPAN 2009

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**Report Highlights:**

The 34th International Food and Beverage Exhibition (FOODEX) was held March 3-6 in Tokyo. FOODEX, which is the largest food show in Asia, had over 78,000 visitors from 59 countries. The U.S. Pavilion again ranked among the largest at the show with 89 U.S. food and beverage companies. The Agricultural Trade Office (ATO) developed innovative activities for the U.S. Pavilion that added value to the show, including an exhibitor briefing, the internet cafe, the V5 "Gateway to American Food" cooking demonstration booth, and an exhibitor tour of the Japanese section of the show.

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## Introduction

The 34th International Food and Beverage Exhibition (FOODEX) was held March 3-6 in Tokyo. FOODEX, which is the largest food show in Asia, had over 78,000 visitors from 59 countries. The U.S. Pavilion again ranked among the largest at the show with 89 U.S. food and beverage companies. Exhibitors were pleased with the quality of visitors. The weak dollar and strong yen stimulated interest in U.S. products, with projected U.S. sales from FOODEX estimated to reach \$24.4 million within 12 months.

The ATO included several activities to add value to the show including an exhibitor briefing, the internet cafe, the V5 "Gateway to American Food" cooking demonstration booth, and an exhibitor tour of the Japanese section of the show. The ATO also offered on-site staff support to help U.S. exhibitors promote their products. We are hoping to add additional activities to next years' show that will add even more value for U.S. exhibitors.

## Exhibitor Briefing

Geoffrey Wiggin, Minister Counselor for Agricultural Affairs, briefed the exhibitors on the U.S.-Japan agricultural trade relationship. According to Mr. Wiggin, Japan is very important for U.S. agriculture because it is our largest overseas market. Moreover, the United States is Japan's largest supplier of food and agricultural products. It is in our mutual interest, therefore, to further develop this important relationship. Mr. Wiggin went on to discuss the two pillars in securing food access for Japan, domestic production and reliable imports, particularly from the United States.



Deanna Ayala gave a talk on food trends in Japan. She pointed out that in 2008 the Japanese market experienced some significant changes that exporters of U.S. products need to be aware of as they target this food market. Some of these changes were broad economic developments; others were changes in attitude and trends.

Japan's economy has been hit hard by the global economic downturn. Japanese exports, the engine of the economy, dropped a staggering 45.7 percent from January 2008 through January 2009, which is the largest drop since the Japanese government began releasing this type of data in 1980. For the food industry, however, the outlook is moderate. Household expenditures on food did not drop significantly over the last year.

There are also changing attitudes and trends in today's Japan. Ms. Ayala mentioned that young women are remaining single and working longer. These women tend to be early adopters of trends who have disposable income to use on the latest food trends.

Ms. Ayala pointed out that when consumers are asked what they are looking for from food, safety is often cited first. The Japanese government and the retail sector are doing whatever it takes to make people feel safe. For example, retailers are employing food safety "experts" to patrol stores and answer questions. Cost and convenience also still rank very high in purchasing decisions, particularly given the economic situation.

Tommy Aoki, the Senior Marketing Specialist at the ATO, discussed several topics such as the new ATO business website [www.us-ato.jp](http://www.us-ato.jp), the new trade leads system, and the V5 Healthy Eating Campaign. Mr. Aoki showed the exhibitors the new business website that is designed to educate U.S. companies about the Japanese food sector and to introduce U.S. products

and companies to the Japanese food industry. Mr. Aoki explained that the new FAS trade leads system is intended to link U.S. exporters with Japanese importers. He also talked about the V5 Healthy Eating Campaign. The objective of the campaign is to promote U.S. cooperator products and U.S. food ingredients, with an emphasis on U.S. vegetables, to Japanese consumers and the trade.

The final briefing presentation was from an American businessman who has two decades of experience in the Japanese food sector. He gave an informative talk on what to expect when exporting to Japan, giving an overview of the rules U.S. companies need to follow when exporting products to Japan. He said that even though some of the Japanese government's interpretations of these rules might seem a little odd at times, you need to follow them to be successful in the Japanese market. He also said that sales are not usually made quickly in Japan, that it could take time establishing relationships with Japanese importers.

### The U.S. Pavilion and the Internet Cafe



The Pavilion, which had a recent face lift to create an open, more appealing floor plan, featured 89 U.S. exhibitors. Many of the exhibitors were sponsored by U.S. trade groups such as the U.S. Meat Export Federation, the State Regional Trade Groups (SRTGs), and the National Association for the Specialty Food Trade (NASFT) or by states such as Oregon and Pennsylvania.

The ATO hosted the internet cafe for exhibitors, highlighting the website [www.myfood.jp](http://www.myfood.jp), which is intended to showcase the dynamic U.S. food culture to Japanese consumers. The café also featured the ATO's business website, [www.us-ato.jp](http://www.us-ato.jp). The Internet Café featured meeting rooms, computers with internet connections, and food and drink for exhibitors.

### V5 Healthy Eating Campaign

An exciting new attraction to the show was the V5 "Gateway to American Food" cooking demonstration booth. The cooking demonstration featured Chef Ema Koeda, a Culinary Institute of America trained chef who specializes in California cuisine. She developed healthy and delicious V5 original recipes that appeal to Japanese tastes while also promoting U.S. food ingredients. Among the featured dishes were potato salad with broccoli, cod and avocado, spicy papaya salad with fruit salsa, and fruit, nuts and cheese wrapped in American prosciutto.



Chef Koeda gave a total of three cooking demonstrations per day during the four day trade show. The crowds were large during the sessions and showed great interest in what Chef Koeda was preparing. There were even a few immediate successes. For example, Chef Koeda incorporated an exhibitor's olive oil in one of the demonstrations that led to a sale to a Japanese restaurant. Another recipe included Chardonnay wine sauce that piqued the interest of several Japanese buyers. She also prepared and demonstrated a wild rice recipe for the Intertribal Agricultural Council that attracted an enthusiastic crowd.

The demonstration cooking booth was also used by several cooperator groups to promote their products. There were cooking demonstrations from the U.S. Meat Export Federation, the American Soybean Association, U.S. Dairy Export Council, Florida Department of Citrus, and the U.S. Grains Council.

The objective of the V5 campaign is to build demand in Japan for these healthy recipes and the U.S. ingredients contained in them. Many of the U.S. exhibitors believed that the cooking demonstration booth and Chef Koeda energized the U.S. Pavilion. The ATO is looking to expand the cooking demonstration for next year's show.

#### **Exhibitor Tour of the Japanese Exhibition Section**

To give exhibitors a chance to learn about Japanese food trends, Alex Otsuka, a marketing specialist at the ATO, led a tour of the Japanese food section at FOODEX. In an entertaining manner, Mr. Otsuka educated the U.S. exhibitors on the intricate nature of the Japanese food sector that will help them in this market. We are looking to expand these tours for next year's shows.